Annual General Meeting 2012

Wiesbaden
May 10, 2012

BROAD BASE. BEST SOLUTIONS.

SGL GROUP
THE CARBON COMPANY

The 2011 Fiscal Year

SGL Group
Continued Positive Development – Group Targets 2011 achieved

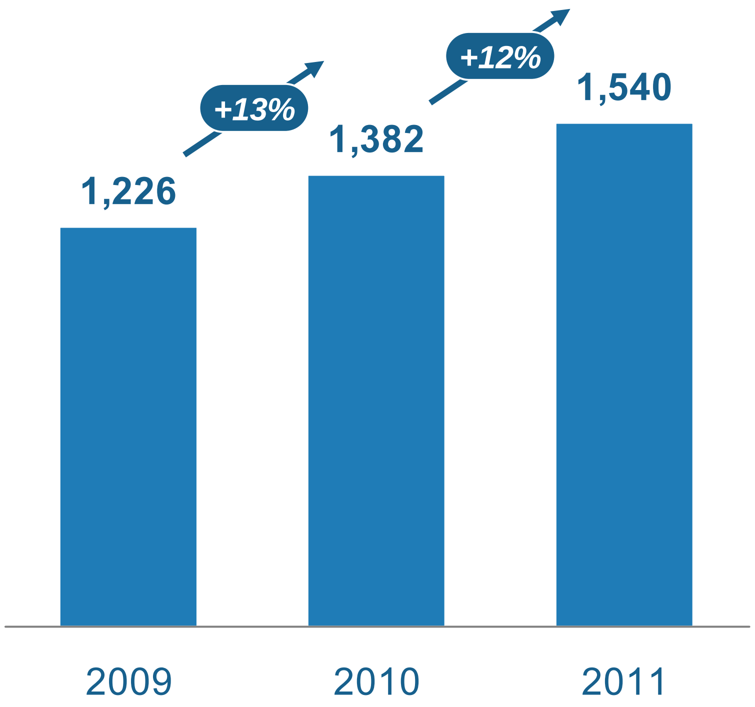
Business Development

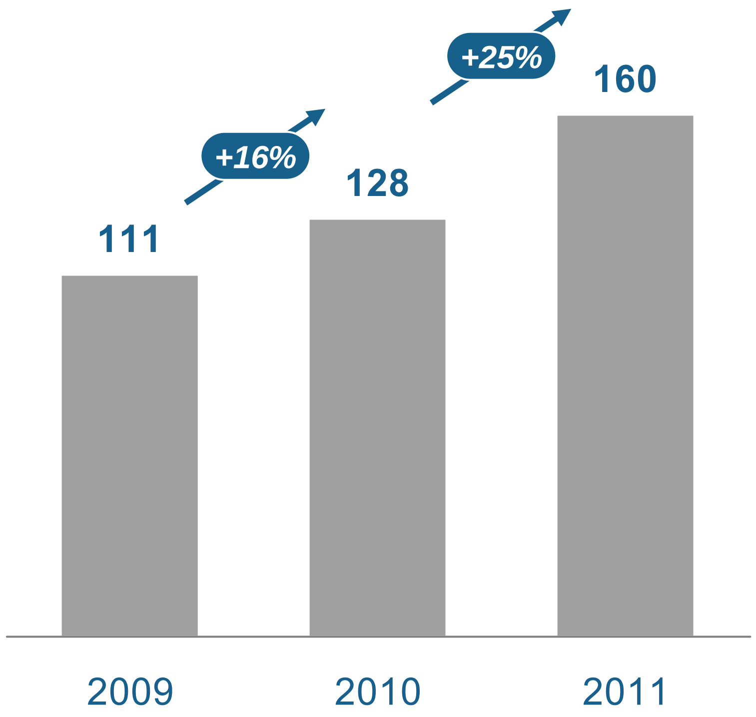
- Sales revenue up 12% to €1.54 billion (2010: €1.38 billion)
- EBIT up 25% to €160 million (2010: €128 million)
- ROS at 10.4% (2010: 9.3%)
- Earnings per share: €1.09 (2010: €0.80)
- Capex with €139 million lower than budgeted (2010: €137 million)
- Balance Sheet Structure improved: Equity Ratio up to 45.8%, Gearing down at 0.33
- Dividend payment reinstated

SGL Group
Profitable Growth Continued

in € million

Sales Revenue	EBIT





Continued Strategic Development

Strategic Development

PP: Scheduled expansion of graphite production facility in Banting

- Completion of all stages of production of graphite electrodes
- Build-up of cathodes production

GMS: Expansion of global production capacities for graphite specialties

- Primarily in Germany, China, USA, India

CFC: Further development Carbon Fibers/Composite Activities

- Start-up of our carbon fiber production (USA) with the BMW Group
- Continued development of automation technologies for aerospace (HITCO)

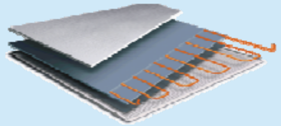
SGL Group
Our Research & Development Focus Areas

Synthetic Graphite for Steel and Alumin. Industry


- Graphite Electrodes
- Furnace Linings
- Cathodes

Carbon Based Products for Energy Systems

- Thermal Management (Ecophit®)
- Lithium-Ion-Batteries
- Redox-Flow-Batteries
- Supercapacitors
- Fuel Cells



Technology & Innovation

- Carbon Fiber Pilot Line
  - Higher Strengths
  - Improved Stiffness
  - Production Processes with Higher Efficiency

Carbon Fibers & Composites for Light Weight

- SiC-Fibers
- Fiber Reinforced Ceramics
  - High Precision
  - Low Wear


Ceramic Fibers & SiC Based Composites

Extension of International Research Networks and Strategic Co-operations & Alliances

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Performance Products (PP)
Solid Performance and Continued High Profitability

in € million	2011	2010
Sales revenue	845.7	762.6
EBITDA	179.9	177.5
Operating profit (EBIT)	143.3	144.1
Return on sales (in %)	16.9	18.9

Sales revenue increase: 11%

- Driven by continued improvement in graphite electrode volumes
- Expected low cathodes sales level due to investment pause and destocking in aluminum industry

EBIT remained at nearly the same level as in 2010 due to

- Lower sales prices, particularly for cathodes
- Continued start-up costs for commissioning our new Malaysian plant

€10 million savings from SGL X initiative

Graphite Materials & Systems (GMS)
Record Results in 2011

in € million	2011	2010
Sales revenue	468.7	395.9
EBITDA	101.6	54.9
Operating profit (EBIT)	84.0	36.9
Return on sales (in %)	17.9	9.3

Sales revenue increase: 18%

- 2011 was a record year for GMS: very high demand from all customer industries, especially in the solar, semiconductor and LED sectors

EBIT more than doubled due to

- High capacity utilization
- Successful implementation of price increases and measures to improve profitability

€8 million savings from SGL X initiative

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Carbon Fibers & Composites (CFC)
Result Impacted by Issues in Wind Energy

in € million	2011	2010
Sales revenue	220.2	218.5
EBITDA[1)]	-5.3	4.8
Operating profit (EBIT)[1)]	-16.9	-6.6
Return on sales (in %)	-7.7	-3.0

Sales revenue increase: 1%

- Growth impacted by wind energy sector (SGL Rotec)
- Positive development of the Joint Ventures with sales of €155.7 million (+14%; accounted for At-Equity)

Strong decrease in EBIT

- EBIT decrease due to wind industry (SGL Rotec)
- Excluding SGL Rotec, slightly positive EBIT
- In 2011: net impact of reversal of impairment losses and impairment losses in operating income of €5.1 million

€5 million savings from SGL X initiative

1) Before reversal of impairment losses and impairment losses

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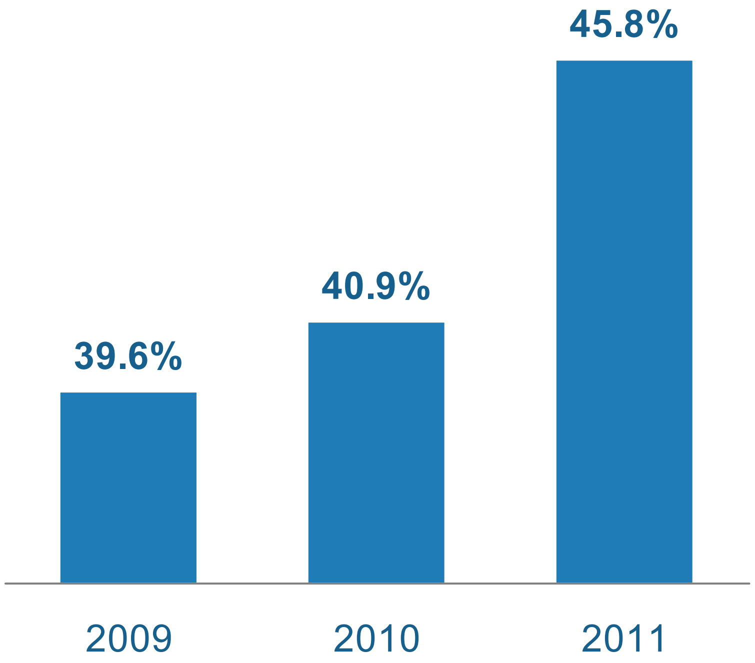
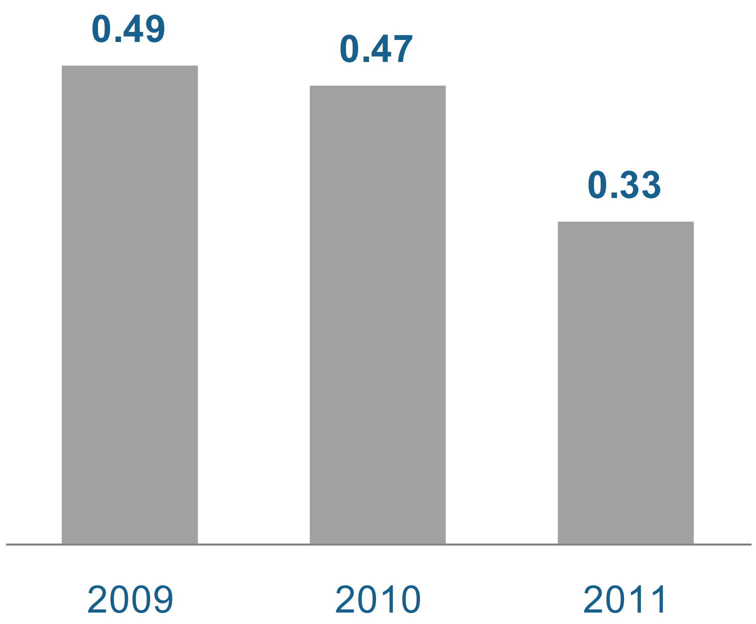
Balance Sheet Structure Quality Improved Significantly

Equity Ratio



Gearing[1)]



Well-positioned for further profitable growth

1) Ratio of nebt debt to shareholder's equity

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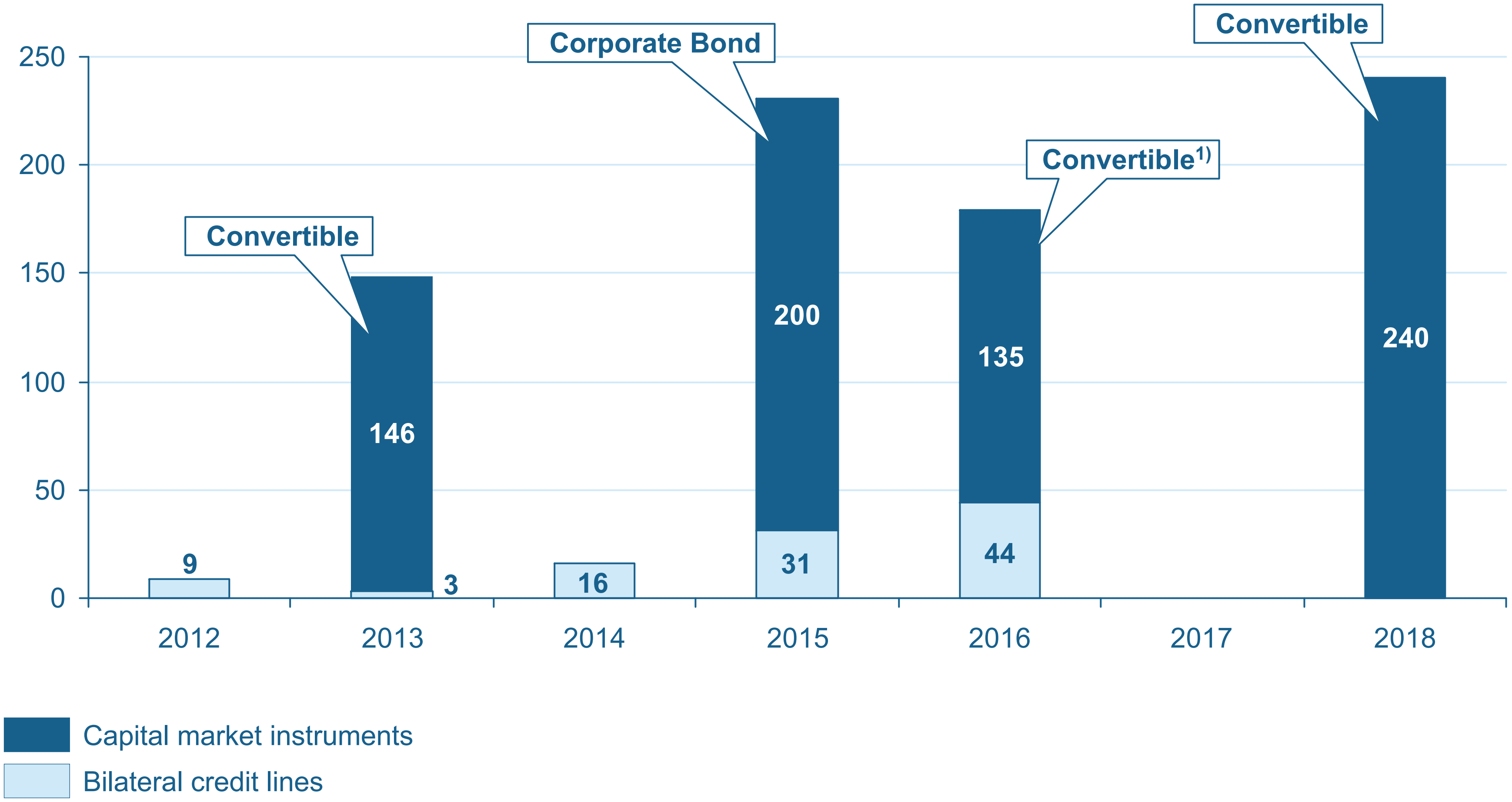
SGL Group
Long-term Solid Financial Structure

in € million



1) Convertible Bond due 2016, Investor-Put Option 2014

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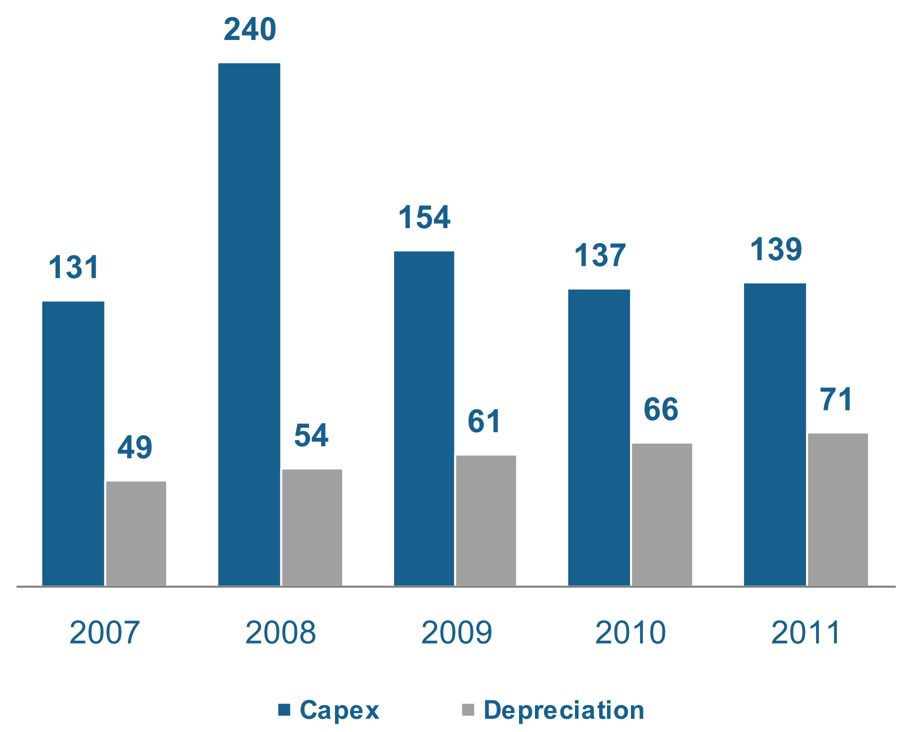
Ensuring the Future
Consequent Continuation of Investment and Growth Strategy

Major investment focus in 2011

- **PP:**
  - Graphite production facility in Banting (Malaysia)
- **GMS:**
  - Expansion of isostatic graphite in Germany and China
  - Capacity expansion in USA, China and India
  - Reconstruction and expansion of graphite foil production in Meitingen (Germany)
- **CFC:**
  - Automation technology

Capital Expenditure and Depreciation (in € million)



SGL Group
Current Studies Show Improvement in Reputation

top ARBEITGEBER 2012 DEUTSCHLAND
CERTIFIED BY THE CRF INSTITUTE

Top Employer in Germany 2012
- SGL Group certified as "Top Employer in Germany 2012"
- Rank 1 in the "Primary Benefits" category

manager magazin
HUMBOLDT-UNIVERSITÄT ZU BERLIN

"Imageprofile 2012"
Representative survey of manager magazin in cooperation with Humboldt University Berlin
- SGL Group and Siemens with highest image improvement since 2008
- Rank 26 (2008: 93) in "Image Ranking 2012", rank 5 in "Industry" subsection
- Highest rating in "Innovations" category

Fisipe
Expansion of
Precursor Production Base

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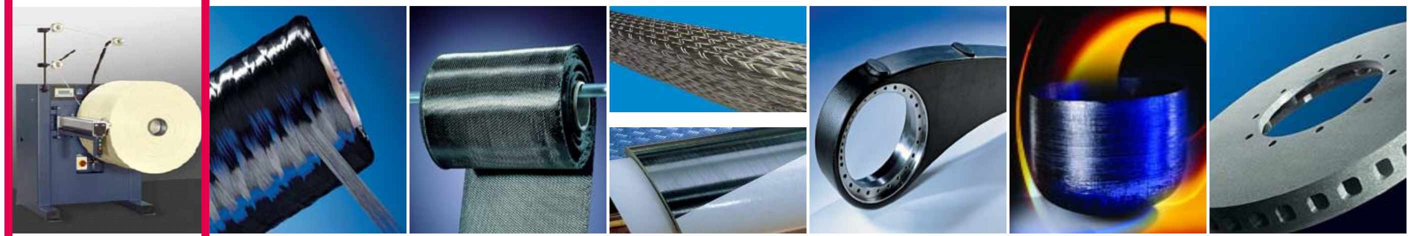
SGL Group
The Only Integrated European Carbon Fiber Producer

Steps Value Chain	PAN Precursor	Carbon Fiber	Fabrics	Preforms Prepregs	CFRP[1)]	CFRC[2)]	CSiC[3)]



Technologies	Polymer chemistry	High temp.-technology	Textile Technology	Engineering Components
Production	**Materials: SGL Group Core Competencies**			**Fabricated Parts: JV with OEM / Tier-I-Supplier**

Applications

- Wind
- Industrial
- Automotive
- Aerospace
- Defense
- Sports

- Aircraft / F1 brakes
- High temp. furnaces
- Chemicals
- Semicon-ductor

- Car brakes
- Armoring

1) Carbon fiber reinforced plastics; 2) carbon fiber reinforced carbon; 3) carbon fiber reinforced silicon carbide

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Expansion of Precursor Production with Fisipe

Precursor: Key raw material for carbon fibers

- Determines material properties of carbon fibers
- Primary cost factor (55% of carbon fiber manufacturing costs)

Strategic step within precursor multi-sourcing strategy

Expansion of own supply of raw materials for carbon fiber production

Strengthening of European precursor production base

Fisipe – Fibras Sintéticas de Portugal S.A.
Facts & Figures

Company

- Established manufacturer of acrylic fiber specialties in Europe since 1973
- Listed since 1985
- Well developed logistics: Based near Lisbon with port access
- 2011 sales approx. €130 million
- Positive cashflow and operating results
- 330 employees
- Own energy supply (cogeneration plant)

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CFC: Technology Still in Development and Start-up Phase

Trends trigger dynamic growth of carbon fibers:

- ✓ Energy efficiency
- ✓ Resource conservation
- ✓ Material substitution

Various new industrial applications support strong growth

- → Automotive industry
- → Engineering
- → Wind Energy
- → Aerospace
- → Building & Construction

Source: BMW Group

1^{st} Quarter and Outlook 2012

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1st Quarter 2012: Start in 2012 Better than Expected

Highlights 1st quarter 2012

Sales revenue:	**€382 million** (Q1/2011: €364 million)
Operating profit (EBIT):	**€36 million** (Q1/2011: €36 million)
Return on sales:	**9.5%** (Q1/2011: 10%)
Equity ratio:	**47.2%** (Dec. 31, 2011: 45.8%)
Gearing :	**0.39 on low level**

Outlook 2012 Strongly Dependent on Macroeconomic Development in H2

Group

- **Sales and EBIT to grow further**
  Assuming economic recovery and stabilization in H2/2012
- Target gearing level to remain at approx. 0.5 based on today's portfolio
- Capex up to €150 million to be largely funded from operational cash flow
  - Gearing ~0.5 defines capex level
- Free cash flow of up to minus €60 million mainly due to capex and required working capital buildup (excluding payments for acquisitions and dividend for 2011 business year)

Economic Improvement in H2 Remains Uncertain

Mid-term Horizon

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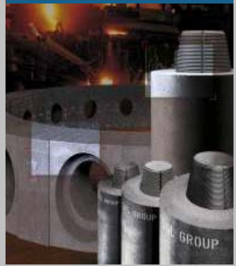
Fundamental Trends Offer Growth Opportunities

Steel & Aluminum



- Graphite electrodes
- Furnace linings
- Cathodes

Chemical

- High temperature applications
- Environmental technology

Established businesses in basic industries

Emerging countries:
Infrastructure build-up

Automotive

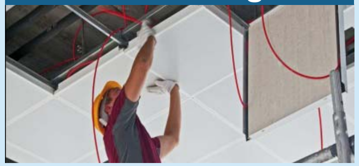
Solar

e-Mobility

Aircraft

Wind

Air Conditioning

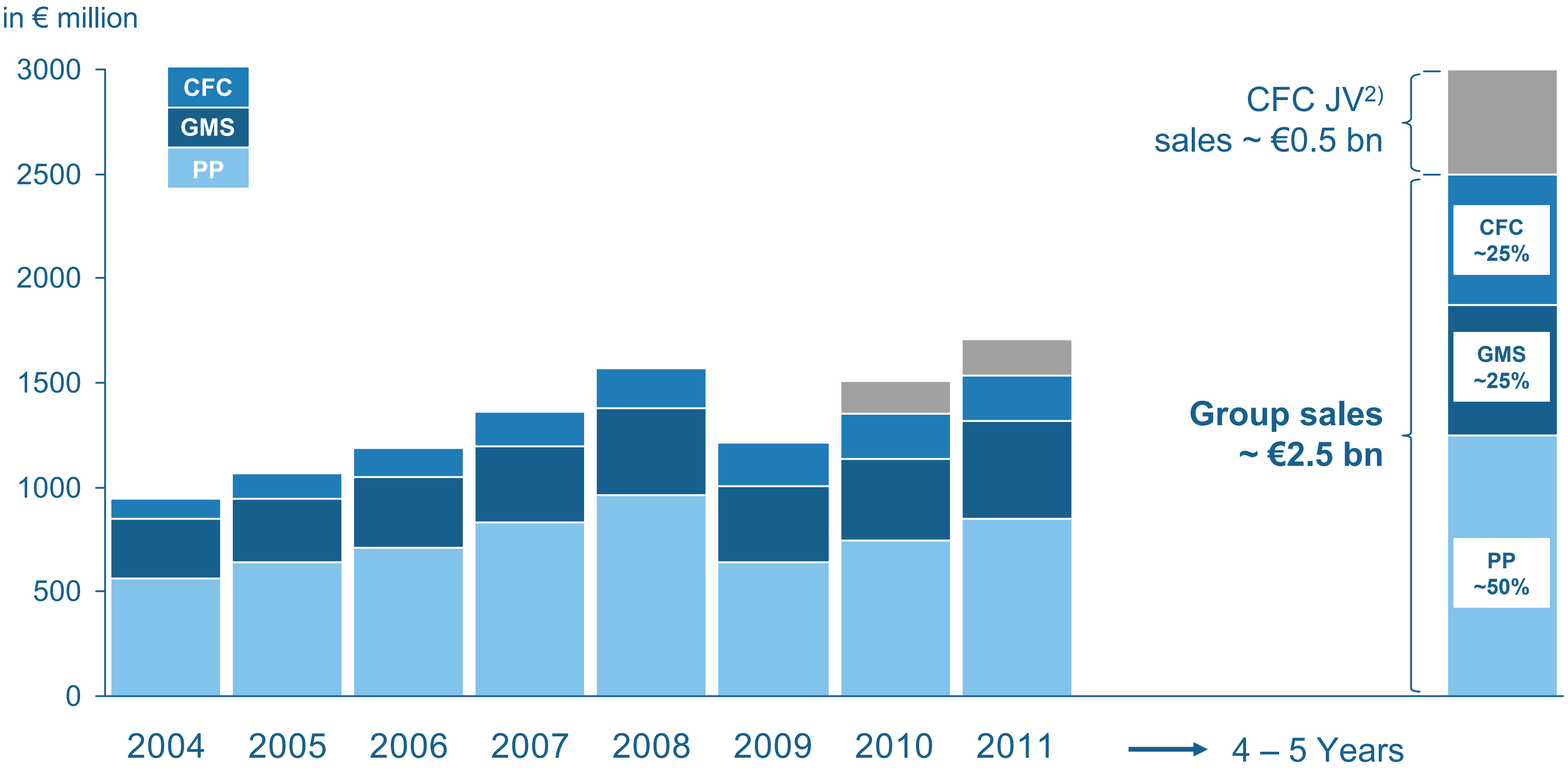


New business in growth markets

Industrialized markets:
Fast innovations and technological progress

Mid-term Horizon
Group Sales to Increase by More Than 10% p.a.[1)]

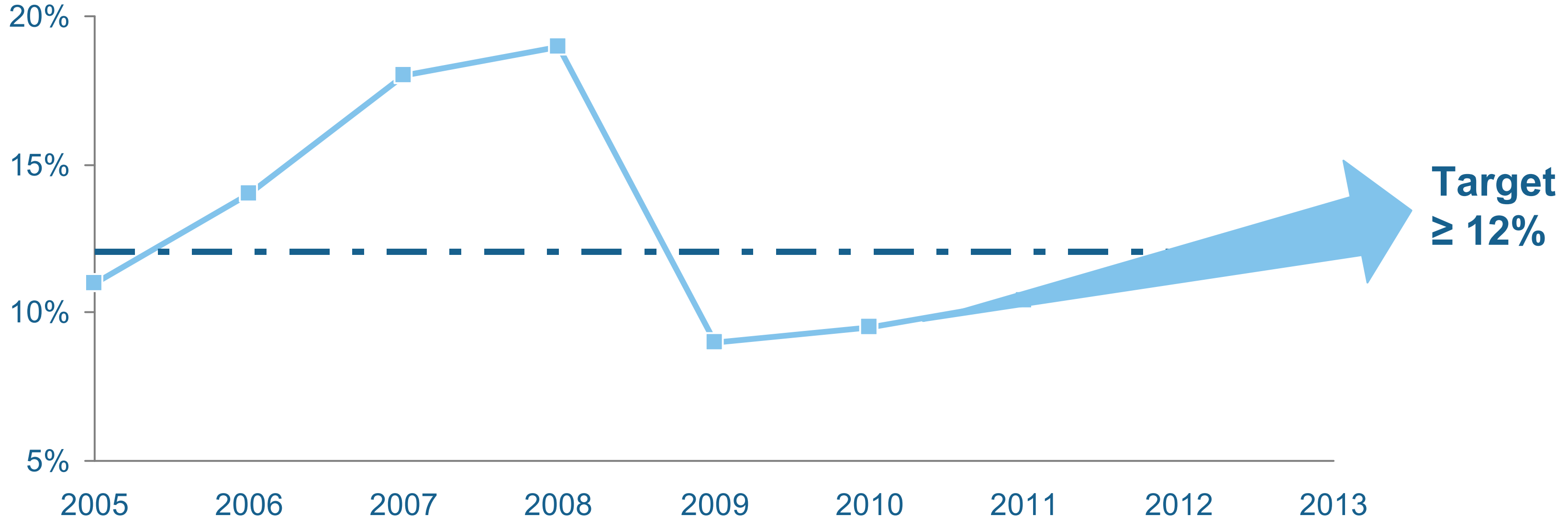
Advanced Materials targeted to reach ~ 50% of Group sales



1) organic growth, excluding acquisitions
2) additional sales from at-equity consolidated JVs in CFC calculated on 100% ownership

Mid-term Horizon
Return on Sales (ROS) Target Remains at Minimum 12%

Group ROS target of ≥ 12% to be achieved again in course of 2013 onwards

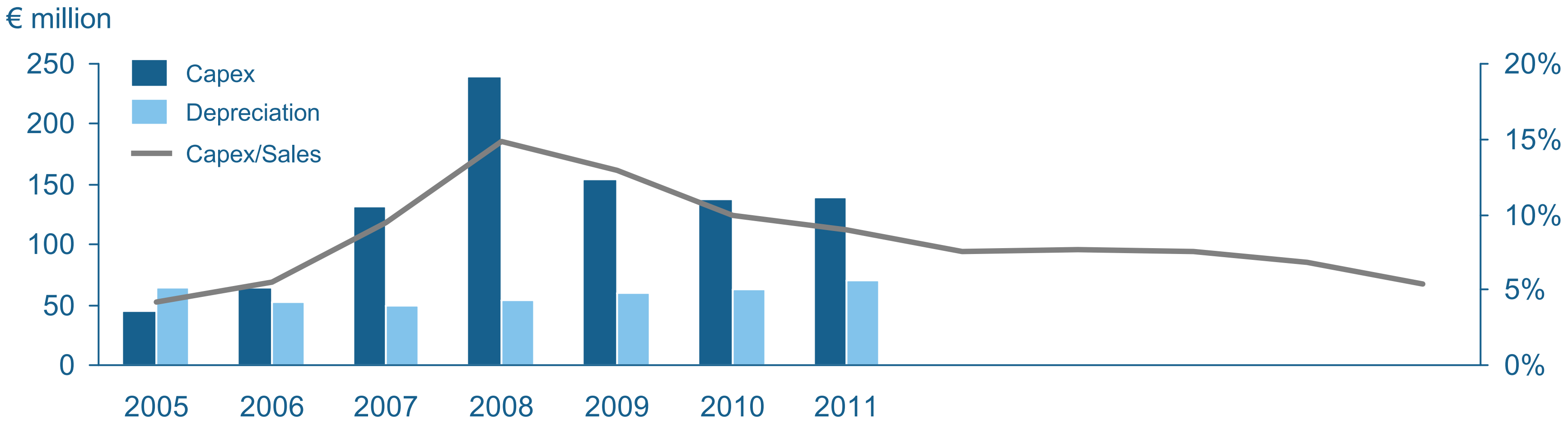


- Outlook for 2012 uncertain due to unclear macroeconomic environment
- New assets coming on stream contribute to sales and cash flow growth
- Higher capacity utilization expected to lead to ROS ≥ 12% in course of 2013

Mid-term Horizon

Capex Remains High until 2012 – Free Cash Flow[1)] Positive from 2013

Capex and depreciation expected to converge, capex/sales ratio to return to historical levels



- Major investments on schedule
- Capex requirements up to €150 million in 2012, declining thereafter
- Capex continues to be funded almost entirely from operating cash flow
- Positive free cash flow starting 2013 (before acquisitions)
- Gearing target remains at approx. 0.5 and is indicative for capex decisions

1) before acquisitions

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Mid-term Horizon
Key Messages and Targets on Track

- **New assets leading to significant sales growth more than → 10% p.a.**
  - Group sales target of more than €2.5 billion over a 4-5 year period
  - In addition, approximately €500 million from At-Equity accounted JVs[1] in CFC
- **Sales growth targets raised and confirmed**
  - CFC from ≥ 15% p.a. → ≥ 20% p.a.
  - GMS from 6% - 8% p.a. → ≥ 10% p.a.
  - PP reaches record sales levels
- **All three Business Areas to become profit pillars of a balanced portfolio**
- **Gearing target remains at approx. 0.5**
- **Free cash flow expected to turn positive in 2013[2]**

1) Calculated on 100% ownership; 2) before acquisitions

Thank you very much for your attention!

Important note:
This presentation contains forward looking statements based on the information currently available to us and on our current projections and assumptions. By nature, forward looking statements are associated with known and unknown risks and uncertainties, as a consequence of which actual developments and results can deviate significantly from the assessment published in this presentation. Forward looking statements are not to be understood as guarantees. Rather, future developments and results depend on a number of factors; they entail various risks and unanticipated circumstances and are based on assumptions which may prove to be inaccurate. These risks and uncertainties include, for example, unforeseeable changes in political, economic, legal and business conditions, particularly relating to our main customer industries, such as electric steel production, to the competitive environment, to interest rate and exchange rate fluctuations, to technological developments, and to other risks and unanticipated circumstances. Other risks that may arise in our opinion include price developments, unexpected developments associated with acquisitions and subsidiaries, and unforeseen risks associated with ongoing cost savings programs. SGL Group assumes no responsibility in this regard and does not intend to adjust or otherwise update these forward looking statements.